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For Immediate Release

FCC PROPOSES RULES TO PROTECT CONSUMERS FROM 'SLAMMING' AND 'CRAMMING'

New Rules Would Prevent Unauthorized Carrier Changes & Fees on Phone Bills, and Strengthen FCC's Ability to Take Action When Bad Actors Violate the Law

WASHINGTON, July 13, 2017 – The Federal Communications Commission today has begun a rulemaking process to prevent consumers from being switched to a different phone provider without their permission or having unauthorized charges added to their bills – activities known respectively as "slamming" and "cramming."

The FCC's proposed rules would prohibit carriers from misrepresenting themselves when telemarketing to consumers and placing unauthorized charges on their phone bills. Unscrupulous carriers often use these scams against vulnerable populations – such as the elderly, recent immigrants, small businesses, and non-English speakers.

While current Commission rules provide some protection against unauthorized charges and carrier switches, the Commission is considering new ways to give consumers more control of their accounts. Some dishonest carriers have abused the current system to defraud consumers. The Commission is considering requiring that a phone carrier check directly with the consumer before switching an account to another carrier, rather than relying on that second carrier's request for that change. Likewise, the Commission is considering preventing third-party charges from being added to a consumer's phone bill unless the consumer expressly agrees to the charges.

Some of the bad actors who perpetrate slamming and cramming have been known to misrepresent who they are or fabricate the consumer's verification of a switch without actually contacting the consumer. Others ask consumers to answer questions on an unrelated call and then splice the consumer's answers into the alleged verification. Still others do not even bother to submit a carrier change but simply cram charges on the consumer's telephone bill for services that were never authorized. The FCC's proposed rule changes would seek to address these troubling trends.

The FCC has jurisdiction to enforce laws against "slamming" and "cramming" and has taken numerous actions over the years to fine companies for such behavior. Today's proposed rulemaking would help prevent such violations from taking place in the first place while providing more clarity on the rules of the road for those carriers committed to best practices for their customers

To read more about rules against "cramming" unauthorized charges onto consumers' bills, visit this consumer guide: https://go.usa.gov/xNeeV

To read more about carriers "slamming" consumers off of their preferred service provider, visit this consumer guide: https://go.usa.gov/xNeeF

Action by the Commission July 13, 2017 by Notice of Proposed Rulemaking (FCC 17-91). Chairman Pai, Commissioners Clyburn and O'Rielly approving and issuing separate statements.

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